

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1359-01
Bill No.: HB 465
Subject: Health Care; Licenses - Professional; Nursing & Boarding Homes
Type: Original
Date: February 19, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$0	(\$8,750)	(\$8,750)
Total Estimated Net Effect on <u>All</u> State Funds	\$0	(\$8,750)	(\$8,750)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Economic Development–Division of Professional Registration**, and **Office of Administration - Administrative Hearing Commission** assume the proposal will have no fiscal impact on their agencies.

Officials with the **Department of Social Services - Division of Aging** assume the proposal would revise provisions related to the testing and licensure of Nursing Home Administrators.

Currently, there are 1716 licensed Nursing Home Administrators in Missouri. Board statistics indicate 917 are working in skilled nursing facilities, intermediate care facilities, and residential care facilities. The division estimates 243 licensees would meet the criteria for a retired license and choose that status. The division's statistics indicate that another 150 licensees reside outside the state and are unavailable for employment. Of the remaining licensees, the division estimates 200, or approximately half, will elect inactive status to avoid continuing education and license costs. The amount of fees collected in FY 2002 would remain the same since the fee is the same for active or inactive status. However, for FY 2003 and FY 2004 the decrease would be approximately \$8750 per year as an estimated 350 fewer licenses are renewed at \$25 each.

The division assumes the resources needed to develop and maintain this program would be minimal and can be absorbed by existing staff.

The division noted there may be some impact to local governments if the local government operates a facility which employs a licensee.

Oversight assumes the costs and/or benefits to local governments would be minimal and has excluded such costs and benefits from the estimate of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE			
Revenue reduction - Division of Aging			
License renewal fees	\$0	(\$8,750)	(\$8,750)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>(\$8,750)</u>	<u>(\$8,750)</u>

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This legislation will have a direct fiscal impact on small businesses subject to regulation under the Nursing Home Administrators Law.

DESCRIPTION

This bill revises provisions pertaining to the Nursing Home Administrators Law. In its main provisions, the bill:

- (1) Revises the procedure concerning the successful completion of examinations by nursing home administrators. If the applicant fails the examinations, the applicant can reapply to the Missouri Board of Nursing Home Administrators for re-testing;
- (2) Requires an applicant who fails either of the examinations a third time to successfully complete a board-prescribed course of instruction in order to be licensed;
- (3) Prohibits a nationally certified examination score for licensure from another state from being recognized by the board for an applicant who fails the examination for a third time;
- (4) Authorizes the board to renew the issue of a temporary emergency license to an applicant if examination results have not been received by the board. Current law does not require the examination to be administered to an applicant applying for the renewal;
- (5) Authorizes the board, at its discretion, to issue a license subject to probation for violating causes contained in Section 344.050.2, RSMo. The contents of the order and the procedures to request a review of the order by the Administrative Hearing Commission are stated;
- (6) Specifies additional violations of Chapter 198;
- (7) Authorizes the board to censure or place the person named in a complaint on probation as deemed appropriate if the finding by the Administrative Hearing Commission substantiates the violation;
- (8) Authorizes the board to hold a disciplinary hearing to singly or in combination, censure or place the person named in the complaint on probation or to suspend or revoke a certificate of registration, permit, or license required by Chapter 344. Reinstatement of the certificate, permit, or license can occur;

DESCRIPTION - continued

(9) Permits automatic denial of a certificate, permit, or license to a person who has had a certificate of registration permit or license denied or revoked in another state which pertains to the practice of a profession that is regulated under Sections 344.010 to 344.100;

(10) Contains provisions which encourage the settlement of disputes between the board and its licensees, including procedures for a review by the Administrative Hearing Commission, prior to a settlement becoming final;

(11) Requires that the physician, 2 licensed health care professionals, and the health care educator be citizens of the United States and tax paying residents of Missouri for one year preceding their appointment to the board. The 4 appointees to the board are required to be citizens of the United States and either residents of Missouri one year prior to their appointment or persons who have been licensed by the board and who have been employed in Missouri for a five-year period;

(12) Contains procedures which allow any nursing home administrator who possesses a current license to practice in Missouri to place their license on inactive status; and

(13) Contains provisions pertaining to the expiration of an inactive license, the length of time of an inactive license, and the re-activation of an inactive license. Nursing home administrators are prohibited from acting in a capacity as a nursing home administrator while their license is inactive.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development

Professional Registration

Department of Social Services - Division of Aging

Office of Administration - Administrative Hearing Commission



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Director

February 20, 2001